



AGRICULTURAL BULLETIN

PUBLISHED IN THE INTERESTS OF REAL ESTATE ANALYST SUBSCRIBERS BY

ROY WENZLICK & CO.

Real Estate Economists, Appraisers and Counselors

SEPTEMBER 17
1951

Volume XX

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Number 44

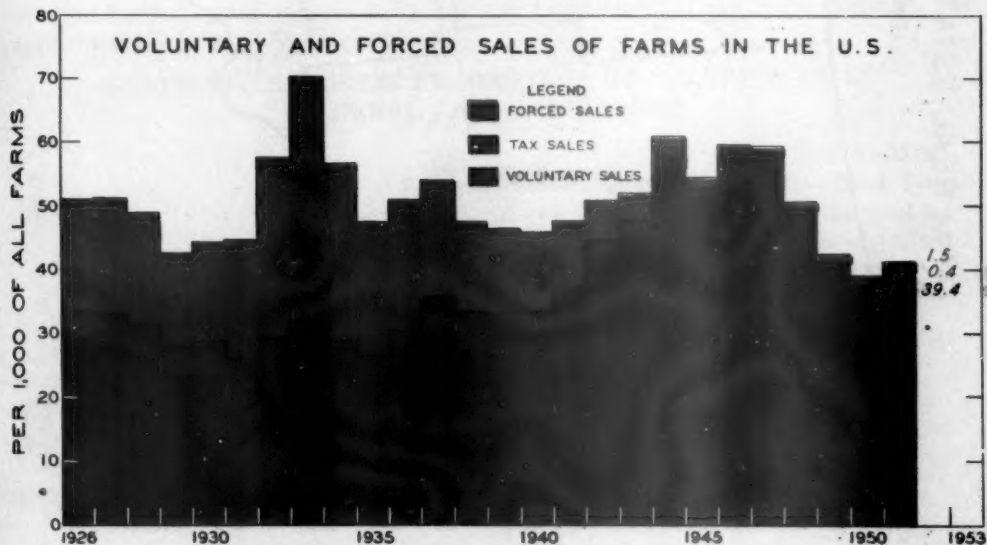
FARM ACTIVITY AND VALUES UP SINCE KOREA

DURING the period between March 1950 and March 1951 the national farm real estate activity index moved up. This index is based on the number of voluntary sales per 1000 farms and it rose from 37.1 (sales per 1000 farms) to 39.4. It is, therefore, 18.3 points, or 32%, below the 1947 peak, when 57.7 farms out of every 1000 voluntarily changed hands.

The increase in activity was general over most of the country. Only eight States recorded declines in the number of voluntary farm sales during the year ending March 1951. They were: Louisiana, Colorado, Maine, Ohio, Indiana, Wisconsin, North Dakota and West Virginia, and most of the drops were quite small. Maine, however, fell from 48 sales per 1000 farms to 38.

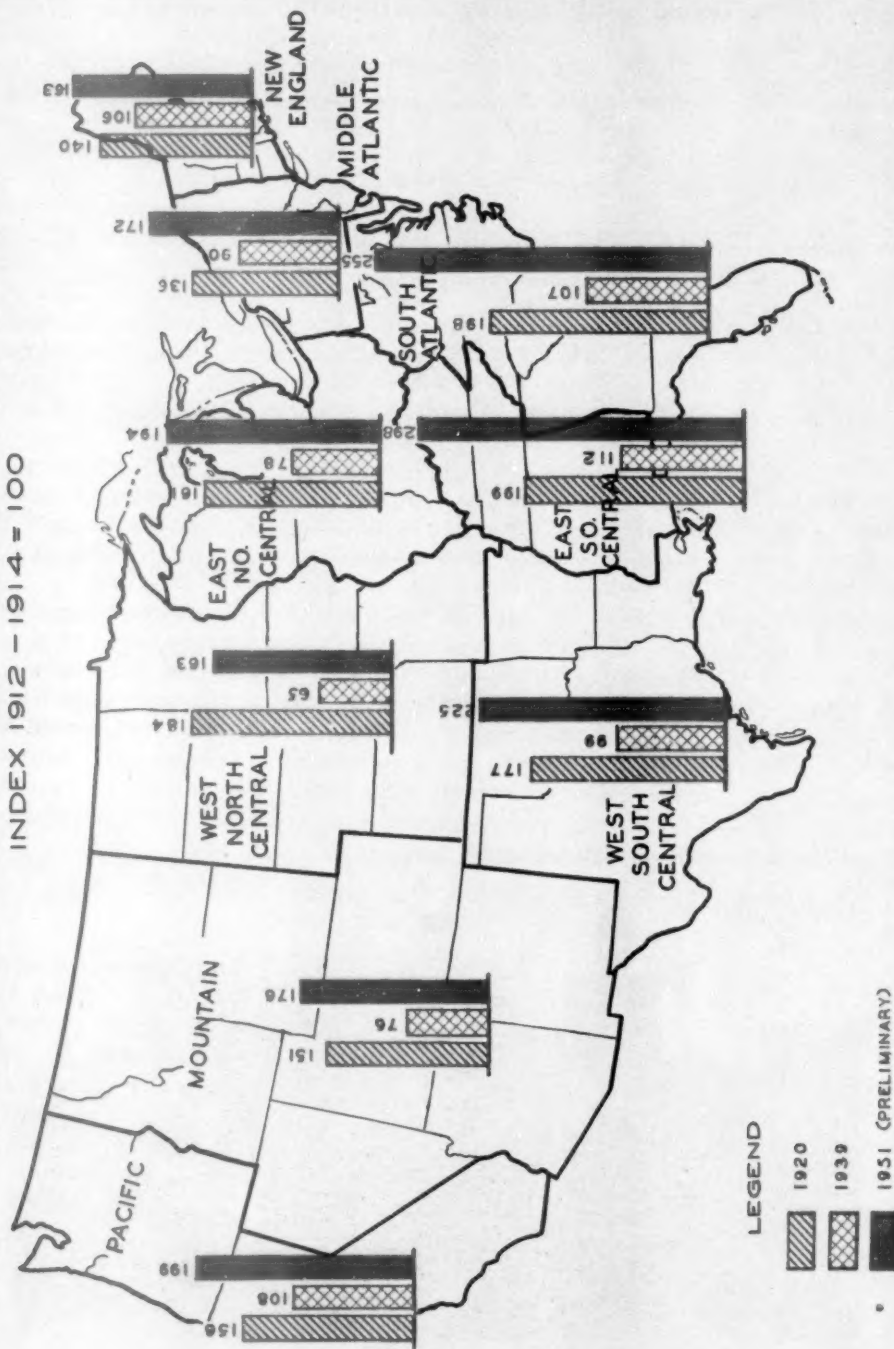
The three States showing the biggest increase during the year ending March 1951 were Florida, where the number of sales per 1000 families ran 38% above the preceding year, California, with an increase of 29%, and Oklahoma, with a 19% increase.

(cont. on page 421)



FARM REAL ESTATE VALUES IN THE U.S. BY REGIONS

INDEX 1912 - 1914 = 100



(cont. from page 419)

The highest activity was found in the western part of the country. In the number of voluntary sales per 1000 farms, Arizona and Idaho were tied for top spot with 58. California was a close second with 57.5, while Washington and Oregon finished out the year with readings of 57.0 and 56.0, respectively. Poorest activity was found in Louisiana, where only 20.5 farms out of each 1000 were voluntarily sold. It wasn't much better in North Carolina, where the reading was only 23.3, or South Carolina, where it was 24.4. Surprisingly enough, Illinois farm sales only reached 28 per 1000 and Massachusetts and West Virginia each had sales of 29 farms per 1000. During the year ending in March 1951 Rhode Island and Connecticut were the only States where farm real estate activity surpassed the postwar peak (reached in 1946 or 1947). States where farm real estate activity has dropped the most from the postwar peak are North Dakota, down 55%; South Carolina, down 50%; Tennessee, down 47%; and Indiana and West Virginia, down 45% each.

According to the United States Department of Agriculture, a significant number of farms continue to be bought by nonfarmers. In the year ending in March 1951, 32.1% of the sales were made to "nonfarm" purchasers. In 1950 this percentage was 28.4. The Department goes on to say that in the wheat areas about one-half of all purchases were made as additions to other farms, and that throughout the country as a whole nearly one-fourth of the sales were for farm enlargement.

While farm foreclosures have not reached significant proportions in any States, South Carolina experienced the highest rate - 4.3 foreclosures per 1000 farms. Next were Vermont with 4.0 per 1000; Georgia, 3.8 per 1000; Maine, 3.0 per 1000; and Arkansas, 2.8 per 1000. More along this same line is found in looking over the Federal Land Bank loans that are delinquent. These figures should not be viewed with too much alarm for the following reasons: Federal Land Bank loans represent only a small portion of all farm loans, and they contain a high percentage of what ordinary lenders usually consider unsound loans. Nevertheless, the following table may be interesting.

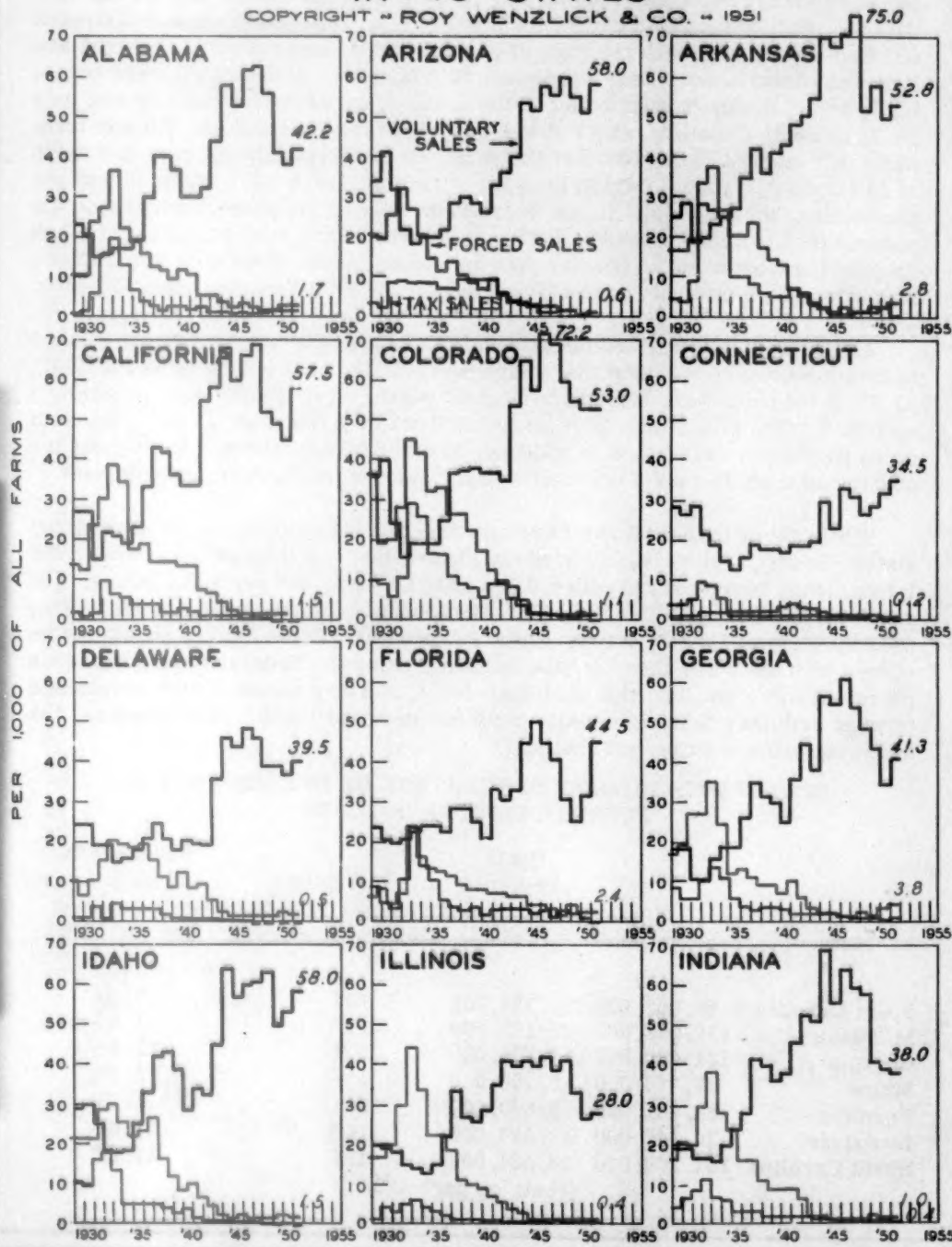
STATES WITH HIGHEST PERCENTAGE OF DELINQUENCY IN FEDERAL LAND BANK LOANS

State	Total Farm Debt	Total Federal Land Bank Loans	% of Dollar Volume Held by Federal Land Banks	% of Federal Land Bank Loans Delinquent on Jan. 1, 1951
South Carolina	\$ 58,053,000	\$11,124,000	19%	17.5%
Mississippi	134,092,000	21,155,000	16%	14.3%
Georgia	121,400,000	17,775,000	15%	13.8%
Maine	21,258,000	2,750,000	13%	13.2%
Vermont	29,401,000	5,800,000	20%	11.9%
Louisiana	76,347,000	12,523,000	16%	11.9%
North Carolina	101,268,000	15,584,000	15%	11.2%

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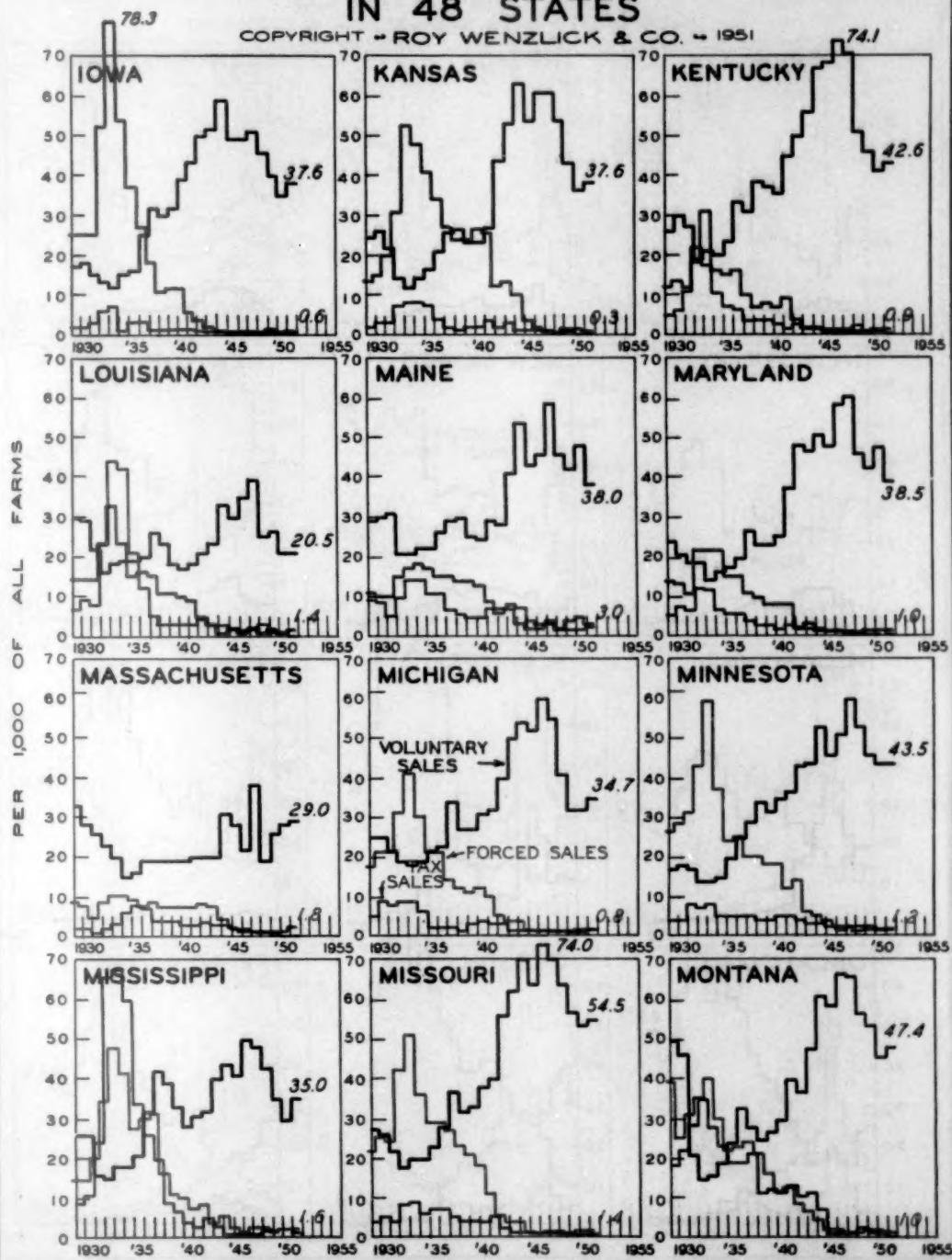
VOLUNTARY AND FORCED SALES OF FARMS IN 48 STATES

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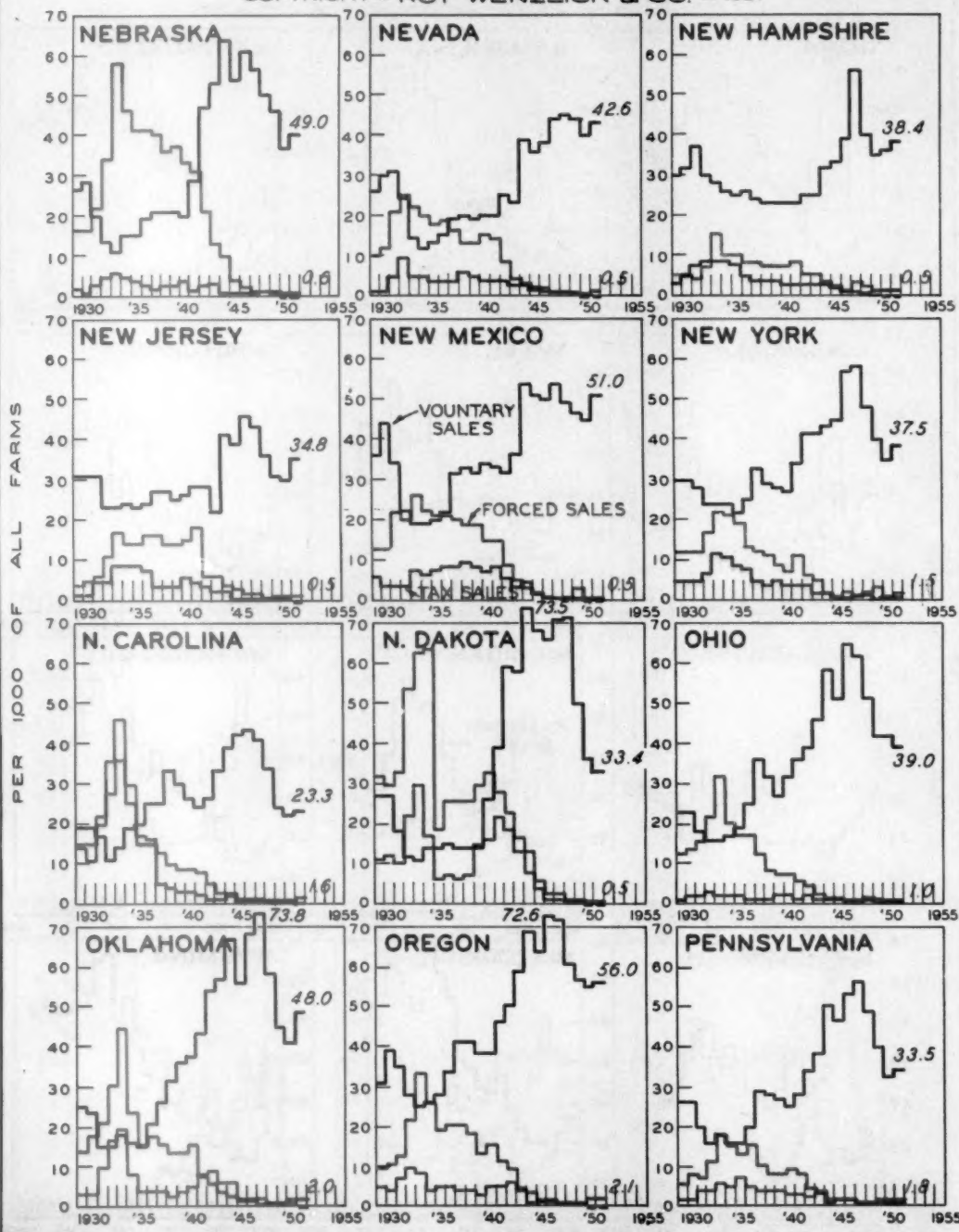
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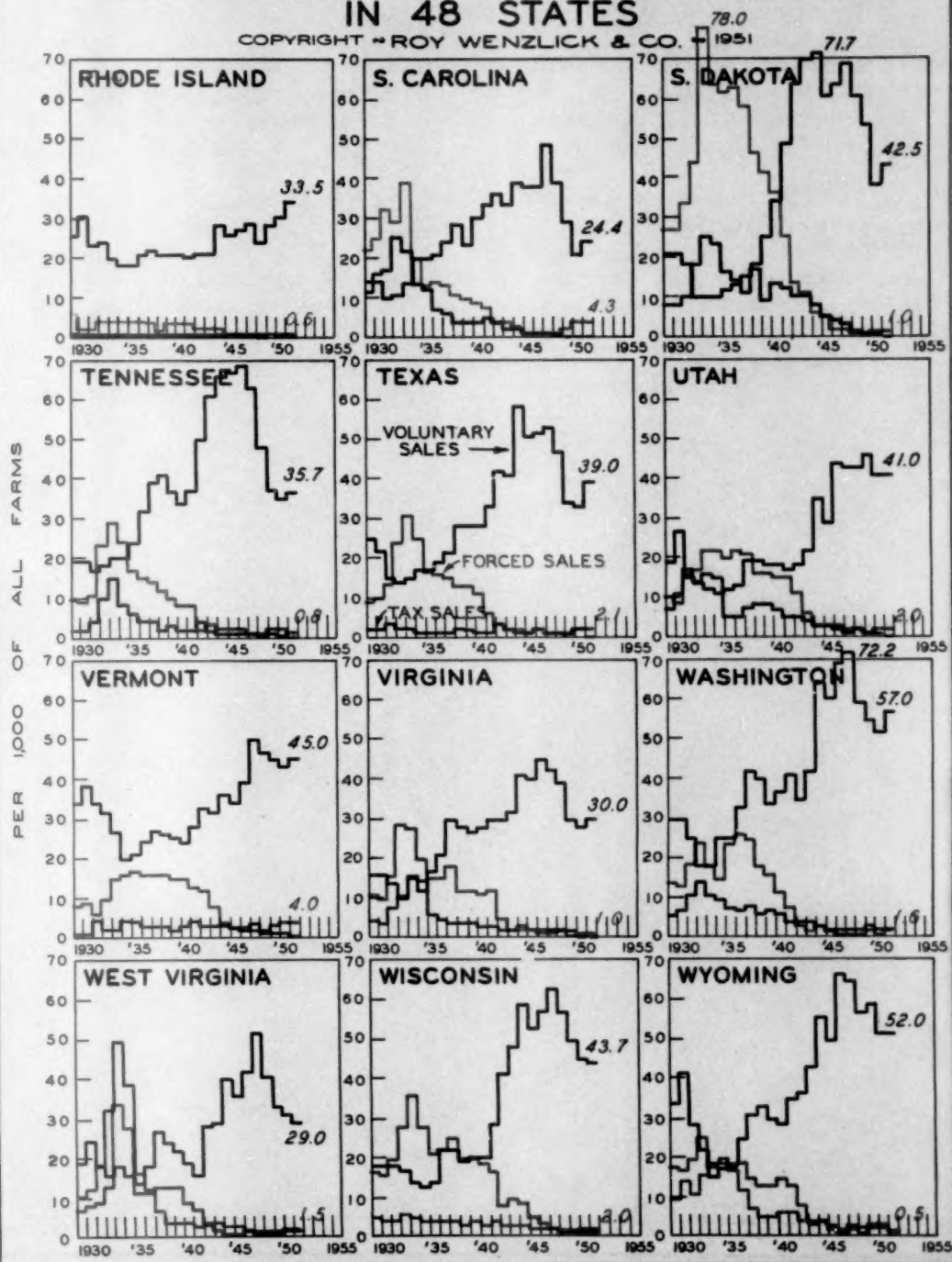
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(cont. from page 421)

This table shows, for example, that on January 1, 1951, 19% of the dollar volume of farm debt in South Carolina was held by Federal Land Banks, and that 17.5% of the number of these loans were delinquent. An analysis of these figures for all States shows that while delinquency has not reached significant proportions, it has increased over its 1947 low point and doubtlessly reflects the pressure being felt by marginal farms.

Farm land values, as expressed in the average value per acre, have risen 17.4% since Korea (July 1950 to July 1951). The biggest rises have been in Arizona, where the average value per acre has risen 25% since last July, and in Mississippi, Texas and New Mexico, which have all experienced rises of 22%. There were 12 other States where farm land values per acre rose 20%. The only State that experienced a decline in the average value of its farm land was Maine, where speculators and operators have apparently decided that they're not so fond of potatoes - without the gravy.